



## Risk Management : Making it Work

© March 2005, Dr David Hillson PMP FAPM

*david@risk-doctor.com*

The risk management process is not difficult, because it is just a structured way of dealing with significant uncertainty. All you need to do is determine which objectives are at risk, then identify uncertainties that might affect their achievement. The next step is to prioritise identified risks and decide how to respond, and then take action. But although this process is simple to describe, it seems hard to make it work in practice. And the hardest part of all is the last step – implementation.

For some reason, we seem well able to identify and assess risks, and to devise appropriate responses. The problem arises with putting our plans into action, and actually doing the agreed responses. Why does this happen?

A common problem is lack of time or effort for response implementation. Many of us are so busy doing our normal tasks that we have no time to do the extra work involved with risk responses. But if we are “too busy to manage risks”, then we are “too busy”. Since risks by definition are uncertainties which if they occurred would affect accomplishment of our objectives, then addressing them is essential. Risk responses are not “optional extras”, but are vital to the successful achievement of our goals. Removing threats and capturing opportunities should be part of our normal job as we seek to maximise our chances of success. Instead we seem to believe that risk responses are additional tasks, to be performed if and when we get time, and only after we have done all our “proper work” first. Many project teams identify and assess risks, develop response plans and write a risk report, then “file and forget”. Actions are not implemented and the risk exposure remains the same. How can we overcome this barrier?

One answer is to treat agreed risk responses as normal work, with the same priority as pre-planned tasks. The following steps might help:

- Ensure that every risk response is fully defined, with a duration, cost, resource requirement, owner, completion criteria etc.
- Add an extra task to the project plan for every agreed response (accepting that this might also require changes to the project budget or timeline).
- Monitor progress on these risk response tasks in exactly the same way as for all other tasks, including requiring progress reports from owners, and reviewing at project meetings.

Giving risk responses equal importance with other project tasks will encourage people to implement them. When response owners realise that these actions are important to project success, and that risk responses will be treated as legitimate project tasks, then they will give them the same degree of attention and effort as their other tasks. Viewing risk responses as “extra work, optional, different” gives them second-class status behind “real work”. Accepting that they are valid and essential tasks which make a significant contribution to achieving objectives makes sure that they will be treated seriously and actually implemented. After all, identifying risk responses but not doing them is a complete waste of time. Only when we put agreed responses into action can we change the risk exposure and improve our chances of meeting our goals.

---

To provide feedback on this Briefing Note, or for more details on how to develop effective risk management, [contact the Risk Doctor \(info@risk-doctor.com\)](mailto:info@risk-doctor.com), or [visit the Risk Doctor website \(www.risk-doctor.com\)](http://www.risk-doctor.com).